

No. 6/ 30 /DPM

Jakarta July, 12th, 2004

CIRCULAR LETTER

Subject: Amendment to Bank Indonesia Circular Letter Number 6/10/DPM dated February 16th, 2004 concerning the Procedures for Bidding of Government Securities in the Primary Market

In regards to the improvement of Bank Indonesia – Scripless Securities Settlement System, it is deemed necessary to amend Bank Indonesia Circular Letter Number 6/10/DPM dated February 16th, 2004 concerning the Procedure for Bidding of Government Securities in the Primary Market, that functions as regulations of implementation for Bank Indonesia Regulation Number 6/3/PBI/2004 dated February 16th, 2004 concerning the Issuance, Selling and Buying and Administration of Government Securities (the State Gazette of the Republic of Indonesia of 2004 Number 16, Supplement to the State Gazette Number 4364) and Bank Indonesia Regulation Number 6/2/PBI/2004 dated February 16th, 2004 concerning Bank Indonesia-Scripless Securities Settlement System (the State Gazette of the Republic of Indonesia of 2004 Number 15, Supplement to the State Gazette Number 4363), are amended to read as follows:

1. The provisions in points II.A.10 until item II A.15 on page 5 and 6 are hereby amended so that they read as follows:

“ 10. In the event that a Bank propose a bidding of Government Securities Auction through Auction Bidder, the concerned Bank must establish a daily broker bidding limit for the appointed Auction Bidder.

11. In the event that other parties aside from the Bank propose a bidding for Government Securities through Auction Bidder, the concerned party must appoint Sub-Registry to perform settlement of the result of Government Securities auction.

12. Sub-Registry.....

12. Sub-Registry that is appointed by other party than the Bank as referred to in number 11 must establish daily broker bidding limit for Auction Bidder on behalf of Sub-Registry customer.
 13. The establishment of broker bidding limit as referred to in number 10 and 12 must be governed in a separate agreement between the Bank or Sub-Registry and the Auction Bidder whereas the format of the agreement shall be suited to need of each party.
 14. The agreement on broker bidding limit establishment shall function as authorization giving from the Bank or Sub-Registry to Auction Bidder to perform daily bidding in Government Securities auction for and on behalf of the Bank or the customer of Sub-Registry, with the maximum amount of the given bidding limit.
 15. Bank or Sub-Registry must conduct management of broker bidding limit in BI-SSSS for all Auction Bidders appointed as intermediaries in proposing Government Securities bidding, through BI-SSSS Terminal (ST) in the menu Supervisory – Member Bidding Limit.”
2. Appendix 1 and Appendix 2 are hereby terminated.

The provisions in this Circular letter shall come into force on July 19, 2004.

For the public to be informed, it is ordered that this Circular Letter be promulgated in the State Gazette of the Republic of Indonesia.

Kindly be informed.

BANK INDONESIA,

Signed

BUDI MULYA
DIRECTOR OF MONETARY
MANAGEMENT